UNITED NATIONS **S**

Security Council

Distr.
GENERAL

S/1999/180
19 February 1999
ENGLISH
ORIGINAL: ARABIC

LETTER DATED 17 FEBRUARY 1999 FROM THE PERMANENT REPRESENTATIVE OF IRAQ TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

On instructions from my Government, I have the honour to transmit to you herewith a letter dated 17 February 1999 from Mr. Taha Yasin Ramadan, Vice-President and Acting Minister for Foreign Affairs of Iraq, concerning the illegal practices of the United Nations Compensation Commission which deny Iraq its right to be informed of and respond to the particulars of claims submitted to the Commission, and urging you to intervene with a view to ensuring that the Commission's work complies with international law and the principles of justice.

I should be grateful if you would have this letter and its annex circulated as a document of the Security Council.

(Signed) Saeed H. HASAN
Ambassador
Permanent Representative

Annex

Letter dated 17 February 1999 from the Vice-President and Acting Minister for Foreign Affairs of Iraq addressed to the Secretary-General

Iraq has sought to advise you of the practices employed by the United Nations Compensation Commission in dealing with compensation claims and the policy the Commission has adopted of denying the Iraqi Government the opportunity to give its views on those claims, regardless of the fact that it is the party with ultimate responsibility for paying the amounts involved. This policy constitutes a violation of the principles of justice and will squander the resources of the Iraqi people. A fresh example of the policy is given below:

The secretariat of the United Nations Compensation Commission conveyed to us the procedural directive issued by the panel of Commissioners appointed in order to examine category "E1" oil sector claims. Fifteen claims have been submitted by the following oil companies:

1. Getty Oil Company (currently called Saudi Arabian Texaco Inc.) (United States).

2. Wood Group Engineering Ltd. (United Kingdom).

3. National Oil Well (United States).

4. Mitsubishi Corporation (Japan).

5. Dowell Schlumberger (Middle East) (Panama).

6. Halliburton Geophysical Services Inc. (United States).

7. Genover S.A. (France).

8. Cape East Ltd. (United Kingdom).

9. Halliburton Ltd. (United Kingdom).

10. Shafi Bin Jaber & Bros. Co. (Saudi Arabia).

11. OGE Drilling Inc. (United States).

12. OTIS Engineering Corp. (United States).

13. Halliburton Logging Services Inc. (United States).

14. Halliburton Co. (United States).

15. Dresser Industries Inc. (United States).

Despite the size of these claims, the Compensation Commission provided Iraq with a copy of the questions put by the panel of Commissioners to 14 of the above-mentioned companies claiming compensation. In respect of the fifteenth, namely, the Getty Oil Company, currently called Saudi Arabian Texaco Inc., the Government of Iraq was provided only with the procedural directive, and not with the queries.

Paragraph 3 of the procedural directive applicable to all claims stated that the Executive Secretary of the United Nations Compensation Commission had included the claims set forth above in his report No. 24 of 8 July 1998 (S/AC.26/1998/R.22).

In its procedural directive, the panel of Commissioners stated that the report submitted by the Executive Secretary had been circulated to all States members of the Governing Council of the Compensation Commission, the Government of Iraq and all other Governments and organizations submitting claims for compensation on behalf of their national companies and citizens. Paragraph 15 of the above-mentioned report, entitled "Oil sector claims ('E1')" states that the 14 oil sector claims covered by the report do not raise any significant legal and factual issues in addition to those identified in previous reports with respect to contract-related losses relating to category "E" claims. However, Iraq has not been notified of the details of those claims or afforded the opportunity to respond to or give its views on them. This is in contravention of the basic principles of justice that give the accused the right to a defence.

The goal of the United Nations Compensation Commission in employing such measures as have been described above have become clear to us and to all those who observe the work of the Commission. We have already addressed a number of letters to the Executive Secretary of the Compensation Commission and to the President of the Governing Council in which we stated that the Commission policy of providing us with copies of the reports submitted by the Executive Secretary was intended to give the impression that the Government of Iraq had examined the claims referred to in the periodic reports of the Executive Secretary. The reality, however, is quite otherwise, since the Iraqi Government examines only a few general indicators, the assumption being that access to those is equivalent to complete access to every detail of the compensation claims.

The Government of Iraq reiterates its assertion that the policy being pursued by the United Nations Compensation Commission is unjust and illegal and is intended to impoverish Iraq and plunder its resources in a manner completely at odds with justice and international law. We therefore consider it essential that you should intervene personally, pursuant to your responsibility, with a view to ensuring that the work of the Commission is in conformity with international law and the principles of justice.

(Signed) Taha Yasin RAMADAN
Vice-President
Minister for Foreign Affairs